

Economic Growth and Redevelopment Services Office

Capital Needs Assessment

Presented to the BEATF City Facilities Committee
by

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March 6, 2012

Introduction

Economic Growth and Redevelopment Services Office



Presentation Overview

- I. Significance of local entrepreneurship to the Austin economy
- II. How SBDP supports this sector
- III. Current status
- IV. Conclusion

Local Economy

Small business puts Austin on the map

- *Kiplinger's Personal Finance* - Top City for the Next Decade
- *Portfolio.com* - Top City for Small Business
- *Forbes* – Next Big Boom Town
- *Fiscal Times* – Hottest Spot to Start a Small Business

Local Economy

Small business is BIG business in Austin

Over **90%** of Austin businesses employ 100 or fewer employees

2 in 5 Austin workers is employed by a local small business

Austin businesses with less than 20 employees are expected to generate **\$15.8 million** in sales tax revenue in FY12

Supporting Small Business

small business
DEVELOPMENT PROGRAM
CITY OF AUSTIN

www.AustinSmallBiz.org

Supporting Small Business

International award-winning program

2011 Winner – Two International Economic Development Council (IEDC) awards

2011 Winner – Liveable City's Vision Award for Economy

2010 Winner – Harvard University's "Bright Ideas Award" for *Meet the Lender*

2010 Honorable Mention – IEDC's Award for *SBDP Utility Bill Insert* promotions campaign

2010 Finalist – PR News Non-profit Awards for *Meet the Lender*

2009 Winner – *Meet the Lender* was featured at the National League of Cities' "Congress of Cities Showcase"

Supporting Small Business

Variety of resources for entrepreneurs starting a new business or enhancing an existing business

- Business Solutions Center
- Business Training
- One-on-one Business Coaching
- Development Information Resources
- New Initiatives

Supporting Small Business

Business Solutions Center

- Dedicated 1,300 s.f. facility
- 12 PC workstations
- Web-based research tools
- Dedicated staff provides assistance and information
- 18,412 customer visits FY07-FY11
- 241% customer growth FY07-FY11



Supporting Small Business

Small Business Education

- Training provided by SBDP staff
- Contracted training
- 9,892 participants since FY07-FY11
- 87% participant increase since FY07

Supporting Small Business

One-on-One Business Coaching

- Individual, hands-on assistance for small business owners and entrepreneurs
- 2,272 customers received one-on-one coaching FY07-FY11

Supporting Small Business

Development Information Resources

- Helps small business owners navigate the land development and permitting processes
- 883 customers FY08-FY11
- 107% growth FY08-FY11



Supporting Small Business

New Initiatives

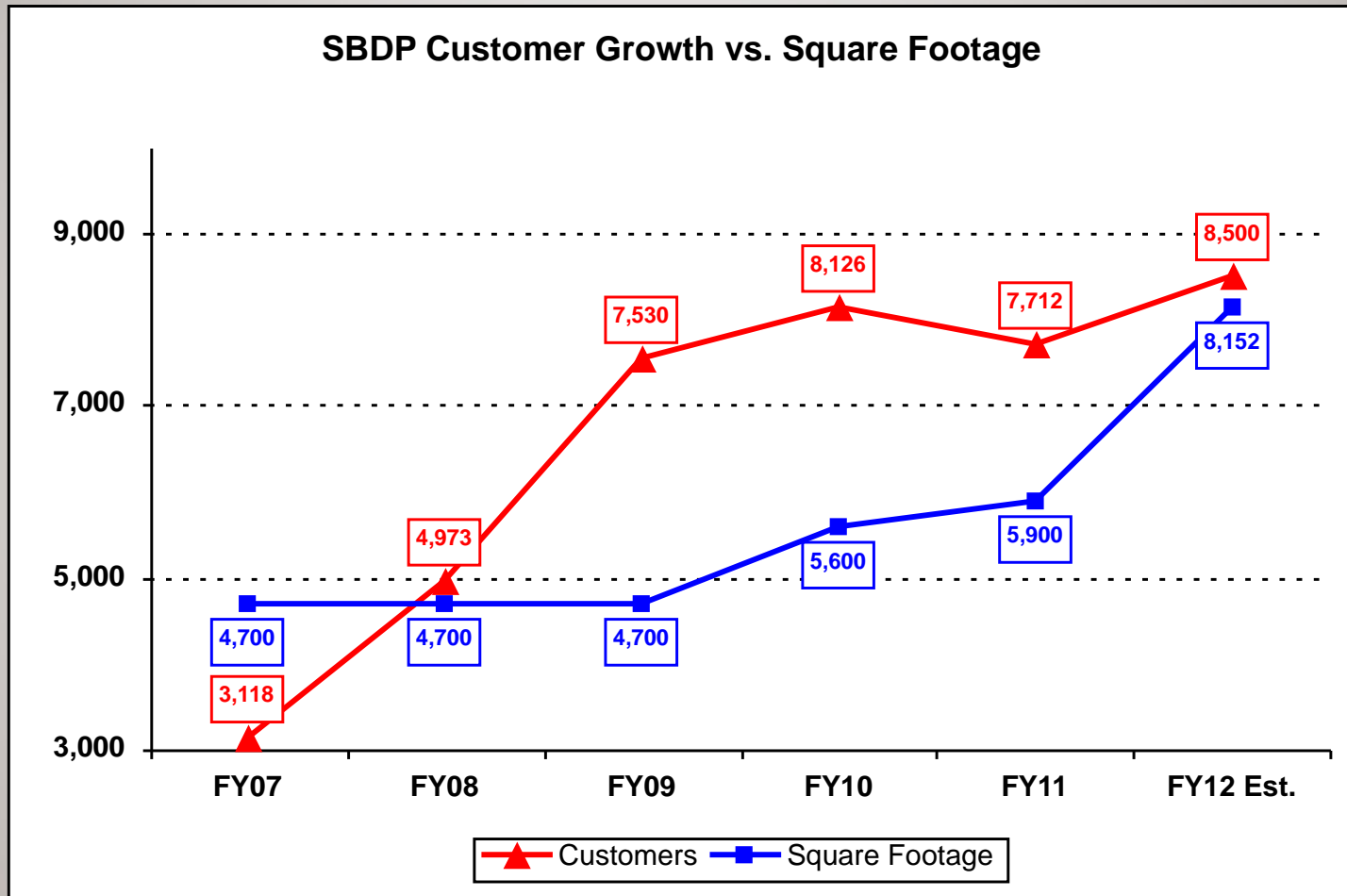
- Family Business Loan Program
- Entrepreneur Center
- Nationally-acclaimed Kauffman classes
- e-Resources for on-demand learning and networking
- Outreach to creative industries

Current Status

Growing Demand for Small Business Services

SBDP Service	FY07	FY11	% Growth
Business Solutions Center visits	1,406	4,798	241%
Special Events attendees	580	1,237	113%
Development Information Resources customers	111	230	107%
Small Business Training participants	1,226	2,298	87%
One-on-One Coaching hours	828	1,218	47%

Current Status



Current Status

Current Facilities

- Six physical locations
- Creates staffing and logistical problems
- Impedes efficient customer service and frustrates customers
- Limits class sizes
- Two-month waitlist for Quickbooks™ classes

Conclusion

Solution

City of Austin Small Business Development Facility

- Approximately 10,000 sq. ft.
- Long-term leasehold (20 years)
- Consolidate all EGRSO small business services in one facility
- Room for new and expanded programs
- Estimated cost \$2.1 million

Conclusion

Project Cost

- Cost were calculated using the Public Works Department's eCapris system
- Total projected cost \$206 per s.f.
- No leveraging opportunities yet identified

Conclusion

Project Addresses 9 Guiding Principles

- ***Department or City Service Infrastructure Priorities***
 1. Departmental Service Priorities
 2. Departmental Service Plan
 3. Business Goals and Priorities
 4. Horizon Issues
 5. Improvement to Service Delivery or Access
- ***New Initiatives***
 6. Grow and invest in our creative economy
 7. Invest in our workforce and education system
- ***Sustainability – Economy***
 8. Produce jobs, attract new companies, or retain and grow local businesses
 9. Multiple Service Delivery Needs